

(ii) The unpaid balance of the borrower's secured FmHA or its successor agency under Public Law 103-354 debt plus prior liens, if any.

(2) Bids will not be made in the following situations unless authorized by the State Director:

(i) When chattel property under prior lien has a market value which is not significantly more than the amount owed the prior lienholder. If FmHA or its successor agency under Public Law 103-354 holds a junior lien on several items of chattel property, advice should be obtained from the State Director on bidding.

(ii) After sufficient chattel property has been bid in by FmHA or its successor agency under Public Law 103-354 to satisfy the FmHA or its successor agency under Public Law 103-354 debt; prior liens, and cost of the sale.

(iii) When the sale is being conducted by a lienholder junior to FmHA or its successor agency under Public Law 103-354.

(iv) At a private sale.

(v) When the sale is being conducted under the terms of Form FmHA or its successor agency under Public Law 103-354 455-3, "Agreement for Sale by Borrower (Chattels and/or Real Estate)".

(g) *Payment of costs.* Costs to be paid by FmHA or its successor agency under Public Law 103-354 in connection with acquisition of chattel property will be paid as outlined in §1955.5(d) of this subpart as recoverable costs.

NOTE: Payment of other lienholders' debts in connection with voluntary conveyance of chattels is not authorized.

(h) *Reporting acquisition of chattel property.* Acquisition of chattel property will be reported by use of Form FmHA or its successor agency under Public Law 103-354 1955-3 prepared and distributed in accordance with the FMI.

[50 FR 23904, June 7, 1985, as amended at 50 FR 45783, Nov. 1, 1985; 51 FR 45433, Dec. 18, 1986; 53 FR 27828 July 25, 1988; 53 FR 35764, Sept. 14, 1988; 60 FR 28320, May 31, 1995]

#### § 1955.21 Exception authority.

The Administrator may, in individual cases, make an exception to any requirement or provision of this subpart or address any omission of this

subpart which is not inconsistent with the authorizing statute or other applicable law if the Administrator determines that the Government's interest would be adversely affected or the immediate health and/or safety of tenants or the community are endangered if there is no adverse effect on the Government's interest. The Administrator will exercise this authority upon the request of the State Director with recommendation of the appropriate program Assistant Administrator; or upon request initiated by the appropriate program Assistant Administrator. Requests for exceptions must be made in writing and supported with documentation to explain the adverse effect, propose alternative courses of action, and show how the adverse effect will be eliminated or minimized if the exception is granted.

#### § 1955.22 State supplements.

State Supplements will be prepared with the assistance of OGC as necessary to comply with State laws or only as specifically authorized in this regulation to provide guidance to FmHA or its successor agency under Public Law 103-354 officials. State supplements will be submitted to the National Office for post approval in accordance with FmHA or its successor agency under Public Law 103-354 Instruction 2006-B (available in any FmHA or its successor agency under Public Law 103-354 office).

#### §§ 1955.23-1955.49 [Reserved]

#### § 1955.50 OMB control number.

The collection of information requirements contained in this regulation have been approved by the Office of Management and Budget (OMB) and have been assigned OMB control number 0575-0109. Public reporting burden for this collection of information is estimated to vary from 5 minutes to 5 hours per response, with an average of .56 hours per response including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information,

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including suggestions for reducing this burden, to Department of Agriculture, Clearance Officer, OIRM, room 404-W, Washington, DC 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB #0575-0109), Washington, DC 20503.

[57 FR 1372, Jan. 14, 1992]

**EXHIBITS A-F [RESERVED]**

**EXHIBIT G OF SUBPART A—WORKSHEET FOR ACCEPTING A VOLUNTARY CONVEYANCE OF FARM CREDIT PROGRAM SECURITY PROPERTY INTO INVENTORY**

(present owner/borrower)

Refer to Exhibit I in FmHA Instruction 1951-S for guidance in estimating the incomes and expenses to be used in this exhibit. The holding period to be used is 105 days (3.5 months).

1. Market Value of Property (Part 7, Form FmHA or its successor agency under Public Law 103-354 1922-1) \$  
Estimated Holding Period in Years
2. Income
  - a. Annual Rent  $\times$  Holding Period =
  - b. Annual Royalties  $\times$  Holding Period =
  - c. Other Annual Income  $\times$  Holding Period =
  - d. Annual Land Appreciation  $\times$  Holding Period =
  - e. Value gained due to restrictions that are placed on the farm such as Conservation

$$1. \text{ Market Value } + 2. \text{ Total Additions } - 3. \text{ Total Deductions } = \text{ Recovery Value }$$

County Official

Date  
Concurrence by:

State Executive Director

Date

[56 FR 15823, Apr. 18, 1991, as amended at 58 FR 44752, Aug. 25, 1993; 62 FR 44396, Aug. 21, 1997]

**EXHIBIT G-1 OF SUBPART A—WORKSHEET FOR DETERMINING FARM CREDIT PROGRAMS, MAXIMUM BID ON REAL ESTATE PROPERTY**

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Easements, Conservation Reserve Program (CRP), etc. =

f. Other (describe)  $\times$  Holding Period =

Total Additions = \$

**3. Expenses**

a. Total Prior Lienholder Indebtedness (P and I) =

b. Other Acquisitions Costs (taxes presently owed, closing costs, survey costs, administrative costs, junior liens, etc.) List:

c. Annual Taxes & Assessment  $\times$  Holding Period =

d. Annual Building Depreciation  $\times$  Holding Period =

e. Annual Management Costs  $\times$  Holding Period =

f. Total Essential Repairs to Secure & Resell =

g. Annual Decrease In Land Value (if applicable)  $\times$  Holding Period =

h. Total Anticipated Resale Expenses (Commissions, Advertising, etc.) =

i. Total Interest Cost

MKT Value \$  $\times$  Regular<sup>1</sup> OL Rate  $\times$  Holding Period =

j. Value loss due to restrictions that are placed on the farm such as Conservation Easements, and Conservation Reserve Program (CRP), etc. = \$

k. Hazardous Waste Clean-up Costs =

Total Deductions (Items a through k) =

4. Recovery Value End of Holding Period

(present owner/borrower)

Refer to Exhibit I in FmHA Instruction 1951-S for guidance in estimating the incomes and expenses to be used in this exhibit. The holding period to be used is 105 days (3.5 months).

1. Market Value of Property (Part 7, Form FmHA or its successor agency under Public Law 103-354 1922-1) \$

Estimated Holding Period in Years

2. Income

a. Annual Rent  $\times$  Holding Period =

\_\_\_\_\_ = \_\_\_\_\_

\_\_\_\_\_ = \_\_\_\_\_

\_\_\_\_\_ = \_\_\_\_\_

\_\_\_\_\_ = \_\_\_\_\_

\_\_\_\_\_ = \_\_\_\_\_

\_\_\_\_\_ = \_\_\_\_\_

\_\_\_\_\_ = \_\_\_\_\_

\_\_\_\_\_ = \_\_\_\_\_

\_\_\_\_\_ = \_\_\_\_\_

\_\_\_\_\_ = \_\_\_\_\_

\_\_\_\_\_ = \_\_\_\_\_

\_\_\_\_\_ = \_\_\_\_\_

\_\_\_\_\_ = \_\_\_\_\_

**RHS, RBS, RUS, FSA, USDA**

**§ 1955.51**

b. Annual Royalties \_\_\_\_\_ × Holding Period \_\_\_\_\_ = \_\_\_\_\_

c. Other Annual Income \_\_\_\_\_ × Holding Period \_\_\_\_\_ = \_\_\_\_\_

d. Annual Land Appreciation \_\_\_\_\_ × Holding Period \_\_\_\_\_ = \_\_\_\_\_

e. Value gained due to restrictions that are placed on the farm such as Conservation Easements, Conservation Reserve Program (CRP), etc. = \$ \_\_\_\_\_

f. Other (describe) \_\_\_\_\_ × Holding Period \_\_\_\_\_ = \_\_\_\_\_

Total Additions = \$ \_\_\_\_\_

3. Expenses

a. Total Prior Lienholder Indebtedness (P and I) = \_\_\_\_\_

b. Other Acquisitions Costs (taxes presently owed, closing costs, survey costs, administrative costs, etc.) List: \_\_\_\_\_

c. Annual Taxes & Assessment \_\_\_\_\_ × Holding Period \_\_\_\_\_ = \_\_\_\_\_

a. 1. \_\_\_\_\_ + 2. \_\_\_\_\_ - 3. \_\_\_\_\_ = \_\_\_\_\_

Market Value Total Additions Total Deductions Total

or,

b. \_\_\_\_\_ + \_\_\_\_\_ = \_\_\_\_\_

Unpaid FmHA or its successor agency Prior Liens Total

under Public Law 103-354 Balance on Secured Debt

d. Annual Building Depreciation \_\_\_\_\_ × Holding Period \_\_\_\_\_ = \_\_\_\_\_

e. Annual Management Costs \_\_\_\_\_ × Holding Period \_\_\_\_\_ = \_\_\_\_\_

f. Total Essential Repairs to Secure & Resell = \_\_\_\_\_

g. Annual % Decrease In Land Value (if applicable) \_\_\_\_\_ × Holding Period \_\_\_\_\_ = \_\_\_\_\_

h. Total Anticipated Resale Expenses (Commissions, Advertising, etc.) = \_\_\_\_\_

i. Total Interest Cost

MKT Value \$ \_\_\_\_\_ × Regular<sup>2</sup> OL Rate \_\_\_\_\_ × Holding Period \_\_\_\_\_ = \_\_\_\_\_

j. Value loss due to restrictions that are placed on the farm such as Conservation Easements, and Conservation Reserve Program (CRP), etc. = \$ \_\_\_\_\_

k. Hazardous Waste Clean-up Costs = \_\_\_\_\_

Total Deductions (Items a through k) = \_\_\_\_\_

4. Bid will be the lesser of:

\_\_\_\_\_  
County Official

\_\_\_\_\_  
Date

\_\_\_\_\_  
Concurrence by:

\_\_\_\_\_  
State Executive Director

\_\_\_\_\_  
Date

[56 FR 15823, Apr. 18, 1991, as amended at 58 FR 44752, Aug. 25, 1993; 62 FR 44396, Aug. 21, 1997]

**Subpart B—Management of Property**

SOURCE: 53 FR 35765, Sept. 14, 1988, unless otherwise noted.

**§ 1955.51 Purpose.**

This subpart delegates authority and prescribes policies and procedures for

the Rural Housing Service (RHS), Rural Business-Cooperative Service (RBS), the Water and Waste programs of the Rural Utilities Service (RUS), and Farm Service Agency (FSA), herein referred to as “Agency,” and references contained in this subpart to the Farmers Home Administration (FmHA) are synonymous with “Agency.” This subpart does not apply to RHS single family housing loans or community program loans sold without insurance to the private sector. These community program loans will be serviced by the private sector and future revisions to this subpart no longer apply to such loans. This subpart covers:

(a) Management of real property which has been taken into custody by

<sup>2</sup>The regular operating loan rate more nearly reflects the Government's cost of money.